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RUEHSG/AMEMBASSY SANTIAGO 0417
RUEHCV/AMEMBASSY CARACAS 1247
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E.O. 12958: DECL: 05/21/2017
TAGS: [PREL](#) [ETRD](#) [ETTC](#) [PHUM](#) [AR](#) [CU](#)
SUBJECT: ARGENTINA: SUSPENSION OF TITLE III OF THE LIBERTAD
ACT

REF: A. SECSTATE 65523

[1](#)B. 2006 BUENOS AIRES 2698

Classified By: Ambassador E. Anthony Wayne for Reasons 1.4 (b) and (d)

[1](#)1. (U) Embassy Buenos Aires keys the responses below to
reftel A questions.

[1](#)2. (SBU) NATURE OF INVESTMENTS THAT ARGENTINA BUSINESSES HAVE
IN CUBA. The GOA imposes no requirement to register foreign
direct investment and the Embassy has been unable to uncover
any major investment by Argentine nationals or Argentine
public corporations in Cuba. According to Gustavo Infante,
Counselor for Northern Hemisphere Economic Affairs (roughly
office director equivalent) in the Foreign Ministry,
Argentine investment in Cuba "seems to be non-existent."
Trade volumes are small: according to statistics provided by
the MFA, two-way trade in 2006 totaled USD 97.9 million,
under one percent of Argentina's global two-way trade of USD
80.6 billion, and slightly less than 2005 total trade with
Cuba of USD 98.4 million. Argentine exports to Cuba in 2006
were USD 95.6 million, about two-thirds of which were
foodstuffs, while Argentine imports from Cuba were USD 2.3
million, about two-thirds of which were cigars. Infante
noted that one topic which is "not resolved" in the bilateral
relationship was the debt owed by the GoC to the GoA, about
USD 2 billion. Because of that debt, according to Infante,
Argentine banks - public and private - will not provide
unsecured trade credits to the GoC.

[1](#)3. (SBU) BILATERAL TRADE AGREEMENTS BETWEEN ARGENTINA AND
CUBA. The governments of Argentina and Cuba have a regional
preferential trade agreement through MERCOSUR, signed at the
MERCOSUR summit in Cordoba, Argentina, in July 2006.
MERCOSUR reports note that this agreement consolidated prior
bilateral trade agreements that MERCOSUR member nations had
earlier signed with Cuba under ALADI auspices. Separately,
World Bank reports note that Argentina had signed a
preferential trade agreement with Cuba in 1984. Infante also
mentioned a bilateral Argentina-Cuba agreement designed to
facilitate trade finance via the establishment of Cuban
escrow accounts, which was signed in August 2004, but has
never taken effect. The two countries also have a Bilateral
Investment Treaty, ratified in 1997.

[1](#)4. (C) EXCHANGE PROGRAMS BETWEEN ARGENTINA AND CUBA. The
Cuban government sponsors a literacy program in Argentina.

The program funds 400 centers and is present in twelve provinces. The program teaches reading skills to 2,683 Argentines annually. We are unaware of any other exchange programs between Argentina and Cuba; however, UN High Commissioner for Refugees Country Representative Florinda Rojas Rodriguez has indicated that several Cuban doctors who were working in Argentina have requested political asylum.

15. (SBU) PROMOTING THE ADVANCEMENT OF DEMOCRACY AND HUMAN RIGHT IN CUBA. Per reftels, the GoA continues to pursue a policy of "constructive engagement" toward Cuba on democracy and human rights issues. The GoA's position is that engagement - however limited - is the best way to promote reform in Cuba. In 2004 and 2005, Argentina abstained on UN resolutions condemning Cuba's human rights situation. In 2006, however, it voted for a UN resolution condemning the U.S. embargo on Cuba and voted against an amendment to the resolution that would have expressed concern over Cuba's human rights situation. Still, Argentina has at least twice raised the issue of human rights with the Cuban government in the context of the Dr. Hilda Molina case (see Ref B for more details), and Foreign Ministry officials have cited to us disagreement over treatment of Dr. Molina as a particular sore point in Argentina-Cuba relations.

16. (SBU) HIGH-LEVEL DIPLOMATIC VISITS BETWEEN CUBA AND ARGENTINA IN PAST SIX MONTHS. There have been no high-level visits between the two countries in the past six months. (See Ref B for visits in the previous six months.)
WAYNE